

FEB 6 1980 - 1 40 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 1 TO THE ASSIGNMENT OF LEASE, DATED
AS OF AUGUST 8, 1979 OF HON FINANCIAL
CORPORATION I

THIS AMENDMENT NO. 1 (herein called "this Amendment") made and entered into as of December 13, 1979, by and between HON FINANCIAL CORPORATION I, an Iowa corporation which has a mailing address of 414 East Third St., Muscatine, Iowa (hereinafter called the Company), and the CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association with its main office at 231 South LaSalle Street, Chicago, Illinois (herein called the Bank).

WHEREAS, Hon Financial Corporation II, an Iowa corporation (herein called "HFC 2") will, subject to the satisfaction of certain conditions precedent, be granted a term loan in the aggregate principal amount of \$2,300,000 pursuant to a Term Loan Agreement dated as of December 13, 1979 (herein called the HFC 2 Loan Agreement) among the Company, HFC 2 and the Bank, to be evidenced by the promissory note of HFC 2 (herein called the HFC 2 Note) payable to the order of the Bank;

WHEREAS, as a condition to the granting of the above described credit by the Bank to HFC 2, the Bank has required the Company to execute and deliver to the Bank a Guaranty dated as of December 13, 1979 in substantially the form of Exhibit D to the HFC 2 Loan Agreement;

WHEREAS, pursuant to a Term Loan Agreement among the Company, HFC 2 and the Bank dated as of August 8, 1979, the Company executed an Assignment of Lease (herein called the Assignment of Lease) dated as of August 8, 1979, assigning to the Bank rights in a lease dated May 24, 1978 between Rex Railways, Inc., a New Jersey corporation acting as the agent of the Company, and Vermont Railway, Inc., a Vermont corporation;

WHEREAS, it is a condition precedent to the making of loans to HFC 2 by the Bank pursuant to the HFC 2 Loan Agreement that the Company execute this Amendment; and

WHEREAS, for good and valuable consideration, the Company desires to amend the Assignment of Lease as hereinafter provided in order to enable HFC 2 to obtain such loans;

NOW THEREFORE, the parties hereto agree as follows:

1. The Assignment of Lease is amended as follows:

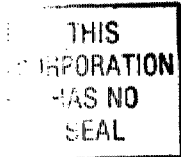
(a) In the fifth line of Section 1, the words ", in the Loan Agreement, dated as of December 13, 1979 (herein called the HFC 2 Loan Agreement) among the Company, Hon Financial Corporation II (herein called HFC 2) and the Mortgagee, the HFC 1 Guaranty (referred to in the HFC 2 Loan Agreement), the Note issued pursuant to the HFC 2 Loan Agreement, and all other agreements and instruments, between the Company and the Mortgagee

or given by the Company to the Mortgagee," shall be inserted immediately after the parenthetical phrase "(referred to in the Mortgage)".

(b) In the first line of Section 5 the phrase "at a time when the Credit (as defined in the Loan Agreement) has expired," is deleted and the phrase "at a time when the Mortgagee has no outstanding commitment to make any loans or advances to the Mortgagor or HFC 2" is inserted in lieu thereof.

2. Except as expressly set forth herein, this Amendment shall not constitute an amendment, waiver or consent with respect to any provision of the Assignment of Lease. This Amendment shall be a part of the Assignment of Lease and all references to the Assignment of Lease shall be deemed to refer to the Assignment of Lease as amended by this Amendment. As herein amended, the Assignment of Lease is hereby ratified, approved and confirmed in each and every respect.

IN WITNESS WHEREOF, the parties hereto have caused their corporate names to be hereunto subscribed by officers thereunto duly authorized all as of the day and year first above written.



HON FINANCIAL CORPORATION I

By: Stanley M. Howe
Stanley M. Howe, President

ATTEST:
John L. Carl
Secretary

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By: Robert P. Gibbs
Vice President

ATTEST:
Browning
Operating Officer

STATE OF IOWA)
) SS.
COUNTY OF MUSCATINE)

On this 26th day of December, 1979, before me personally appeared Stanley M. Howe and Robert L. Carl to me personally known, who being by me duly sworn, say that they are, respectively the President and Secretary of HON FINANCIAL CORPORATION I, an Iowa corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Karen Budgett
Notary Public

My Commission expires 9/30/82.

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 19 day of December, 1979, before me personally appeared Robert Phillips and J. Bonner to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and Operations Officer of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a National Banking Association, that the seal affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Susan A. Montz
Notary Public

My Commission expires _____.